



FOR IMMEDIATE RELEASE

November 9, 2006

## FACT SHEET

### MAYOR IMMEDIATELY BEGINS TO IMPLEMENT “WILL OF VOTERS” ON PROPS B & C

#### *SANDERS CALLS ON CITY COUNCIL TO HEED VOTERS’ DESIRE FOR CITY HALL REFORM*

Thanking voters for the confidence placed in his two reform measures – and calling it “a mandate for fundamental change at City Hall” -- Mayor Jerry Sanders today immediately began to effectuate the will of San Diego voters by announcing his plans for the implementation of Props B & C. Now that the voters have passed the necessary Charter amendments, it is the Mayor’s intention to have the City Council consider the implementing ordinances for the measures in early December. Separately, plans are proceeding to compete City services.

#### MANAGED COMPETITION

Next Steps:

- **Complete** negotiations with the affected employee labor unions on the **Implementation Ordinance**. The Mayor’s staff intends to have the Council consider the ordinances in **early December**.
- **Training on aspects of Managed Competition, including COMPARE software** (software that compares managed competition bids) begins this Thursday and will continue as needed through the process. Employees and members of organized labor will participate.
- Select and begin working with a **consultant on the preparation of Statements of Work** for services the City make wish to compete. The consultant should be selected by late November.
- Nominate qualified candidates for the Independent Review Board (IRB) so that they can be confirmed and in place by early 2007.

**How the Implementation of Managed Competition will work:**

- City departments and/or divisions will go through Business Process Re-engineer (BPR). The result of BPR will be a Most Efficient Operation (MEO).
- Following BPR, the Mayor's staff will make a finding to determine if a City service should be competed. This finding will be memorialized in a memo to the Independent Review Board (IRB).
- A scope of work will be developed. Subsequently, a Request for Proposal (RFP) will be issued to the affected employee group as well as outside competitors.
- While the RFP is out, the Mayor's staff will use the COMPARE software to price the MEO as the basis for the comparison of bids.
- Bids will be received and evaluated by the IRB.
- The IRB will make a recommendation to the Mayor and City Council, who may only accept or reject their recommendation in its entirety.
- If an independent contractor were to win the RFP process, the contract would be audited every year.

**Question: What City departments and/or services will be subject to Managed Competition?**

**Answer:** With the exception of those functions specifically protected by state law, the City Charter (including public safety retirement system members), related to the public health and welfare of our citizens or involving the appropriation or approval of taxpayer funds, all other City functions are subject to competition. These include, but are not limited to:

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| • Solid waste collections and disposal | • Recyclables collections & processing |
| • Fleet maintenance                    | • Print shop                           |
| • Street pavement maintenance          | • Custodial services                   |
| • Plan check                           | • Grounds maintenance                  |

It is envisioned that the first RFP would be issued in the Summer of 2007. Because BPRs are a pre-condition to Managed Competition, the Mayor's staff will be evaluating City departments and/or divisions as they proceed through the BPR process and set a schedule accordingly.

“Props B&C will alone not solve the City's long standing pension or financial problems. Those will require years of diligence and tough medicine. But both propositions are important tools that I need to reform the broken managerial and financial practices at City Hall.”

Mayor Jerry Sanders